

Minutes of the Finance Committee

Wednesday, January 21, 2015

Chair Heinrich called the meeting to order at 8:30 a.m.

Present: Supervisors Jim Heinrich, Bill Zaborowski, Eric Highum, Steve Whittow, Duane Paulson, and Larry Nelson. Whittow left the meeting at 9:08 a.m. **Absent:** Richard Morris.

Also Present: Chief of Staff Mark Mader, Legislative Policy Advisor Sarah Spaeth, Emergency Preparedness Director Gary Bell, Principal Buyer Cindy Greco, Business Manager Lyndsay Johnson, Inspector Jim Gumm, Deputy Inspector Torin Misko, Highway Operations Manager Pete Chladil, Budget Specialist Bill Duckwitz, Heather Acker of Baker Tilly Virchow Krause, LLP; Accounting Services Manager Larry Dahl, Administration Director Norm Cummings, Risk/Purchasing Manager Laura Stauffer, Principal Buyer Catherine Martin, Training Coordinator Deb Kneser, Human Services Supervisors Shirley Peterson and Jan Sanchez, Senior Aging & Disabilities Resource Center (ADRC) Specialist Mikie Blask, and ADRC Specialist Patti Mueller. Recorded by Mary Pedersen, County Board Office.

Approve Minutes of December 10

MOTION: Zaborowski moved, second by Paulson to approve the minutes of December 10. Motion carried 6-0.

Schedule Next Meeting Date

- February 4

Meeting Approvals

MOTION: Zaborowski moved, second by Paulson to approve Nelson's attendance (registration and mileage) at the Wisconsin Counties Association (WCA) Legislative Exchange on February 3 and 4. Motion carried 4-1. Paulson voted no because Nelson will miss a Finance Committee meeting. Whittow was absent for the vote.

MOTION: Nelson moved, second by Highum to approve mileage for Zaborowski to attend the ADRC Advisory Committee meeting on February 5. Motion carried 5-0. Whittow was absent for the vote.

MOTION: Highum moved, second by Nelson to approve mileage for Zaborowski to attend the Child & Family Services Advisory Committee meeting on February 19. Motion carried 6-0.

Contract Procurement Process for the E-911 Phone System

Bell and Greco were present to discuss this item. Bell advised the five-year contract was awarded to Emergency Call Works, the highest rated proposer, for a total contract cost of \$1,062,034. The first year budgeted amount is \$1,050,000 and the first year cost is \$599,939. Seven vendors submitted RFPs for consideration and of those, five did not provide demos or interviews.

MOTION: Zaborowski moved, second by Paulson to approve the contract procurement process for the E-911 phone system. Motion carried 6-0.

Fund Transfer 2014-02: Sheriff – Transfer Funds from Interdepartmental Expenses and Operating Expenses to Personnel Expenses

Johnson, Gumm, and Misko were present to discuss this fund transfer which involves transferring \$105,000 due to greater than budgeted spending on overtime caused by position vacancies. Johnson noted in December, the department transferred \$190,000 from operating expenses to personnel expenses to address the overage. However, the department experienced greater than projected spending on compensatory and holiday time payouts and overtime. Funds are available due to less than projected spending in the areas of fuel, imaging, supplies, and software.

MOTION: Whittow moved, second by Highum to approve Fund Transfer 2014-02, Sheriff's Department. Motion carried 6-0.

Fund Transfer 2014-400-03: Public Works – Transfer Funds from Operating Expenses to Personnel Expenses

Chladil and Duckwitz were present to discuss this fund transfer which involves transferring \$45,000 to cover unanticipated personnel costs in the fourth quarter due to retirement, sick leave, and vacation payouts. Funds are available due to under-budget use of road salt.

MOTION: Paulson moved, second by Zaborowski to approve Fund Transfer 2014-400-03, Public Works Department. Motion carried 6-0.

Audit Planning Report by Baker Tilly

Acker referred to her letter to the Finance Committee dated January 21, 2015. Acker reviewed the external audit process which includes a thorough review of the County's processes and controls, how the County takes in and pays out monies, the budget and any budget amendments, financial reports, etc. The final 2014 audit report is scheduled to be issued in late May/early April. The single audit report is issued in the summer and is a review of all state and federal grant funds to ensure the County spent those dollars in compliance with the terms and conditions of the grant contracts. Acker said in the past, both of these processes have been very successful with great lines of communications and clear expectations and timelines between County and Baker Tilly staff. In addition, Baker Tilly staff often collaborate with the County's internal audit.

To answer Heinrich's and Paulson's questions, Acker said some Baker Tilly staff members are rotated each year to ensure a fresh look at the County audit, while primary members who understand and know the relationship and history are kept on each year.

Whittow left the meeting at 9:08 a.m.

Three-year Review of the LevLoan Program

Cummings and Dahl were present to discuss this item. Cummings referred to his handout titled "Quarterly Report to Waukesha County Leverage Loan Program (WLLP)" which included loan activity information for 2012 through 2014. Since the beginning of the program, the program administrator has closed nine loans totaling \$440,000. The \$440,000 closed and funded by the WLLP has leveraged \$7.8 million in private sector loans since inception. As of December 31, 2014, the principal balance on these loans was \$438,988. The program administrator has collected \$19,913 in interest payments to date as planned. This program continues to be very successful and has helped nine businesses retain 243 full-time jobs and 60 part-time jobs and create 75 new positions to be filled within the next 12 to 24 months. All businesses have paid, as agreed, quarterly interest-only payments since the loans originated. Business technical assistance is provided to

borrowers in the loan fund through one-on-one counseling and training classes. Cummings advised an ordinance will be presented in February to reauthorize the program.

Annual Report on the Disposal of Fixed Assets

Stauffer and Martin were present to discuss this item as outlined in the report titled “County Surplus Property Management Report – 2014” which included information on departments transferring items to surplus, departments accepting items from surplus, items sold, items recycled, and items that became trash due to no value. Surplus items included office furniture, TVs, projector screens, truck/auto parts, dump trucks, pick up trucks/plows, cars, etc. Stauffer explained the processes, some of which have been streamlined to save staff time, for disposing of surplus property. These processes are regularly analyzed to net the highest gains. Revenues from the sale of said property in 2014 totaled \$869,893.54, of which, \$843,299.92 went into the Vehicle Replacement Fund.

MOTION: Nelson moved, second by Highum to accept the annual report on the disposal of fixed assets. Motion carried 5-0.

State Legislative Update

Spaeth indicated the legislature has been in session for about two weeks and they are currently focusing on some “hot button” items of which she gave examples. A list of the Waukesha County delegation was recently emailed to County Board Supervisors. She noted three of our delegates will serve on the Joint Finance Committee. The Governor’s budget is scheduled to be released February 3 at which time it will be fully analyzed by County staff. The delegation will be invited in March to discuss legislative issues and the full County Board will be invited to attend.

Update on Lean Government Initiatives

Kneser explained that Lean Government empowers employees to improve processes, eliminate waste, and reduce costs by identifying and implementing the most efficient and value added way to provide government services. Lean Government team members Peterson, Mueller, Sanchez, and Blask discussed changes to the Long Term Care enrollment/application process which will save \$40,000 in staff time. Kneser advised of other Lean Government initiatives and said Circuit Court Services will see a \$90,000 savings over a three to five-year period due to changes made regarding guardian ad litem fees/services. In yet another Circuit Court Services initiative, efficiencies were implemented and a now vacant position will no longer need to be filled. Economic Support staff were able to decrease the average client call waiting time from 20 minutes to two minutes. In Collections, accounts that had languished for 57 days decreased to 29 days. In Records Management, what once took staff five hours to scan 150 documents decreased to 30 minutes with an estimated savings of \$25,000 in staff time. Parks & Land Use also reduced staff time spent scanning documents for an annual estimated savings of \$3,000 and 122 hours of staff time.

MOTION: Paulson moved, second by Highum to adjourn at 10:29 a.m. Motion carried 5-0.

Respectfully submitted,

William J. Zaborowski
Secretary